

KAZAKHSTAN STOCK EXCHANGE JSC

Approved

by decision of the Board of Directors
of Kazakhstan Stock Exchange JSC

(minutes No. 39 of the meeting
of December 20, 2024)

Effective

as of January 5, 2025

NOTICE

These Rules in English have been translated by employees of Kazakhstan Stock Exchange for information purposes only. In case of any incompliance of this translation with the Rules' original version in Russian, the latter prevails.

RULES

**for providing direct access
to the trading system of Kazakhstan Stock
Exchange JSC**

**Rules for providing direct access to the trading system
of Kazakhstan Stock Exchange JSC**

These Rules have been developed in accordance with the legislation of the Republic of Kazakhstan and establish the conditions and procedure for the provision by members of Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) of services on provision to their clients of direct access to the Exchange's trading system (hereinafter – direct access).

Chapter 1. GENERAL PROVISIONS

1. These Rules use concepts defined by the legislation of the Republic of Kazakhstan and internal documents of the Exchange.
2. For the purposes of these Rules, the following symbols are used:
 - 1) **"DMA client"**¹ – a client of a member of the Exchange who intends to use or is using the DMA system in order for a member of the Exchange to conclude transactions in the Exchange's trading system on its behalf on instruction of and/or at the expense of and/or in the interests of this client;
 - 2) **"registering exchange" (main (primary) membership exchange)** – an exchange of a state other than the Republic of Kazakhstan, of which a participant in the electronic trading system is a member, and recognized by the Exchange in accordance with the Remote Access Agreement;
 - 3) **"DMA system"** – a set of software and hardware tools of a member of the Exchange that interacts with the Exchange's trading system and is intended for concluding transactions in the Exchange's trading system based on applications generated on the basis of client orders of DMA clients;
 - 4) **"electronic trading system"** – an electronic trading system that provides its participants with remote access to the Exchange's trading system on the basis of a relevant remote access agreement;
 - 5) **"remote access agreement"** – an agreement on remote access to the electronic trading system concluded between the Exchange and the registering exchange, which governs the procedure for interaction between the parties in providing remote access to participants in the electronic trading system;
 - 6) **"participant in the electronic trading system"** – a foreign member of the Exchange that is a legal entity established in accordance with the legislation of a state other than the Republic of Kazakhstan and a member of the exchange that registered it in accordance with a remote access agreement;
 - 7) **"gateway"** – a gateway of the Exchange's trading system; a software and hardware tool designed to ensure interaction between the DMA system and the Exchange's trading system, including for transmitting data from the DMA system to the Exchange's trading system and receiving data by the DMA system from the Exchange's trading system.
3. Direct access includes the following:
 - 1) client orders are generated by DMA clients independently (without the direct participation of employees of members of the Exchange) using DMA systems and are transmitted to members of the Exchange through DMA systems in electronic form;
 - 2) for client requests received through DMA systems, members of the Exchange apply accelerated (usually automated) procedures for registration, verification, audit, accounting and execution of client requests;
 - 3) applications for concluding transactions in the Exchange's trading system, received by members of the Exchange through DMA systems, are generated by the DMA system automatically.

¹ DMA – Direct Market Access.

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4. The same provisions of the legislation of the Republic of Kazakhstan and internal documents of the Exchange that are established in general with respect to client orders, applications for concluding transactions in the Exchange's trading system, transactions (being) concluded in the Exchange's trading system, shall to apply client orders generated by DMA clients using DMA systems, to applications for concluding transactions in the Exchange's trading system based on client orders received by members of the Exchange through DMA systems and registered by them, to transactions that were concluded in the Exchange's trading system based on applications generated by DMA systems based on client orders received by members of the Exchange through DMA systems and registered by them.

A member of the Exchange is obliged to ensure the complete and timely execution of transactions with financial instruments concluded in the Exchange's trading system at the expense and on behalf of DMA clients.

5. To provide direct access services, various DMA systems may be used: developed by the Exchange itself (if available), as well as, with the permission of the Exchange, own developments of members of the Exchange or third-party developments.

DMA systems, the conditions and procedure for their use must comply with the requirements for DMA systems and their use, which are established by internal document of the Exchange, approved by the decision of its Management Board (hereinafter – the Requirements for the DMA System).

The Exchange's permissions to use DMA systems and technical changes to DMA systems developed by members of the Exchange and third-party developments are issued in accordance with Chapter 2 of these Rules.

6. Members of the Exchange shall provide their DMA clients with direct access services subject to the conditions established in Chapter 3 of these Rules.

**Chapter 2. PERMISSION TO USE DMA SYSTEMS AND TECHNICAL
CHANGES TO DMA SYSTEMS**

7. The Exchange provides free consultation to its members and the exchanges that have registered them, and also provides them with information on issues of connecting existing and developed DMA systems to the Exchange's trading system through existing gateways.
8. Before submitting an application to the Exchange for permission to use the DMA system, a member of the Exchange must identify its employees (including at least one managerial employee and at least one employee of the trading division) as persons whose job responsibilities include ensuring interaction with the Exchange on matters of providing direct access and compliance with the provisions of these Rules and the requirements specified in item 5 of these Rules.
9. To obtain permission from the Exchange to use the DMA system, developed by the Exchange itself, a member of the Exchange or the exchange that has registered it is obliged to provide it with an application for permission to use this system in the form of the appendix to these Rules.
10. To obtain permission from the Exchange to use the DMA system or technical changes to the DMA system developed by a member of the Exchange or by a third party:
- 1) a member of the Exchange or the exchange that has registered it is obliged to provide the Exchange with the following documents:
 - an application for permission to use this system in the form of an appendix to these Rules or an application of any form for permission to use the developed technical changes in the DMA system;
 - a description of the given system/technical changes in the DMA system, which must comply with the requirements specified in item 5 of these Rules;
 - 2) a member of the Exchange is obliged to carry out certification of the DMA system/technical changes in the DMA system in the test circuit of the Exchange's trading system in accordance

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with the internal document of the Exchange establishing the procedure for certification of the DMA system of members of the Exchange, approved by the decision of its Management Board (hereinafter – the Certification Instruction).

11. Documents received by the Exchange in accordance with subitem 1) of item 10 of these Rules shall be reviewed by the Exchange within no more than 10 working days from the date of their receipt.
12. During the consideration by the Exchange of an application for permission to use the DMA system or an application for technical changes developed in the DMA system, it has the right to request from a member of the Exchange or the exchange that registered it who submitted this application, and it is obliged to provide it with any additional documents or information necessary to verify compliance with the requirements specified in item 5 of these Rules.

In the event that the Exchange requests additional documents and/or information in accordance with the first paragraph of this item, the period for consideration of the application for permission to use the DMA system/technical changes in the DMA system, established by item 11 of these Rules, shall be proportionally extended by the period for submission by the member of the Exchange or the exchange that registered it, of the required documents and/or information.

13. For the purposes of certification of the DMA system /technical changes in the DMA system, the Exchange, on the basis of the received application specified in subitem 1) of subitem 10 of these Rules, connects the member of the Exchange to the test circuit of the trading system, issues him a short code and password.
14. Based on the results of receiving the short code and password, the member of the Exchange is obliged to carry out certification of the DMA system /technical changes in the DMA system to the extent that it plans to use it/them in the production circuit of the trading system, within the timeframe agreed upon with the Exchange division responsible for the functioning of the Exchange's trading systems.

When a member of the Exchange certifies technical changes in the DMA system, the testing scenario may be simplified or different from the scenario established by the Certification Instruction.

15. The Exchange's division responsible for the functioning of trading systems shall check the compliance of the description of the DMA system /technical changes in the DMA system provided to the Exchange by its member or the exchange that registered it in accordance with subitem 1) of item 10 of these Rules with all the requirements for the description of the DMA system established by the Requirements for the DMA system, as well as control over the operability of the test circuit of the trading system during the certification of the DMA system /technical changes in the DMA system.

In the event of problems in the operation of the test circuit of the trading system, the Exchange division responsible for the functioning of trading systems carries out an investigation to determine the involvement of the member of the Exchange that carried out the certification of its DMA system/technical changes in the DMA system.

Upon completion of the certification of the DMA system/technical changes in the DMA system, the Exchange's division responsible for the functioning of trading systems shall notify the division responsible for the organization and conduct of trading, of the results of the verification of the description of the DMA system/technical changes in the DMA system and of the results of the certification in order to determine the possibility or impossibility of using the DMA system/technical changes in the DMA system by the member of the Exchange.

16. The division responsible for organizing and conducting trades, based on the results of the checks specified in paragraph three of item 15 of these Rules, no later than the next business day after receiving these results, issues or refuses to issue a permit to a member of the Exchange or the exchange that registered it, to use the DMA system /technical changes in the DMA system.
17. The Exchange has the right to decide to refuse to issue a permit to a member of the Exchange to use the DMA system/technical changes to the DMA system on any of the following grounds:

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- 1) non-compliance of the application of a member of the Exchange or the exchange that has registered it for the issuance of permission to use this system with the form established in the appendix to these Rules;
 - 2) failure of a member of the Exchange or the exchange that registered it to submit to the Exchange additional documents and/or information requested by the Exchange in accordance with the first item of clause 12 of these Rules;
 - 3) during the certification of the DMA system /technical changes in the DMA system, the Exchange identified threats that impede the smooth functioning of the trading system;
 - 4) non-compliance of the description of the given system/technical changes in the DMA system, provided to the Exchange by its member or the exchange that registered it in accordance with subitem 1) of item 10 of these Rules, with any of the requirements for the description of the DMA system, which are established by the Requirements for the DMA system;
 - 5) failure by a member of the Exchange to comply with the legislation of the Republic of Kazakhstan and/or internal documents of the Exchange, which gives grounds to believe that the use of the DMA system /technical changes in the DMA system by a member of the Exchange may cause damage to the property of its clients or the Exchange or otherwise infringe on the interests of its clients or the Exchange.
18. The Exchange shall notify its member or the exchange that has registered it in writing of the issuance of permission to use the DMA system/technical changes to the DMA system or of the refusal to issue permission to use the DMA system/technical changes to the DMA system, indicating the reasons for such refusal, no later than the next business day from the date of the decision.
19. In the event of receiving permission to use the DMA system, a member of the Exchange or the exchange that has registered it has the right to send the Exchange an application for access to the production circuit of the Exchange's trading system through a gateway in accordance with the internal document of the Exchange establishing the conditions and procedure for providing access to the Exchange's trading systems.
- In the event of a refusal to use technical changes in the DMA system, a member of the Exchange must comply with this refusal and not apply the developed technical changes in the DMA system, while the member of the Exchange has the right to revise these changes and re-certify them in the manner established by this chapter.
20. The Exchange ensures the uninterrupted operation of the gateways used by the members of the Exchange.
21. A member of the Exchange using the DMA system is obliged to use this system in accordance with its technical documentation. When using this system, a member of the Exchange is prohibited from performing actions (inactions) that disrupt or are capable of disrupting the normal functioning of the trading system, in accordance with its purpose, including creating obstacles to the provision of services by the Exchange to other members of the Exchange and/or disrupting the process of conducting trading by the Exchange.
22. For each individual DMA system, a member of the Exchange shall obtain permission from the Exchange to use it in accordance with this Chapter.

Chapter 3. PROVISION OF DIRECT ACCESS SERVICES

23. A member of the Exchange may provide direct access services to its DMA clients only after it has received permission from the Exchange to use the DMA system in accordance with Chapter 2 of these Rules.
24. A member of the Exchange shall have the right to provide its DMA clients with direct access services only in relation to those exchange markets in which it itself has the right to participate in trading in accordance with the categories of its membership on the Exchange.

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A member of the Exchange is prohibited from transferring or providing direct access to third parties who are not DMA clients.

25. A member of the Exchange shall provide its DMA client with direct access on the basis of an agreement concluded between them for the provision of brokerage services, which must comply with the requirements specified in item 5 of these Rules.

26. In order to ensure the smooth operation of the trading system, the Exchange has the right to limit the number of applications for concluding transactions in the Exchange's trading system, including those generated by DMA systems based on client orders of DMA clients, which are submitted to the Exchange's trading system for a certain period of time through one or another gateway.

The specified restrictions may be established by a member of the Board of Directors of the Exchange supervising the division for organizing and conducting trades, in relation to all members of the Exchange, taking into account the specifics established by item 27 of these Rules.

The Exchange shall promptly notify its members of the establishment of such restrictions.

27. The member of the Management Board of the Exchange supervising the division for organizing and conducting trades has the right to establish the restrictions specified in item 26 of these Rules in the following cases:

- 1) the total number of orders for concluding transactions in the Exchange's trading system, which are submitted to the Exchange's trading system, exceeds half of the maximum permissible value of the number of orders, the submission of which to the Exchange's trading system is possible in accordance with the software and technical characteristics of the Exchange's trading system (taking into account the feature established by item 28 of these Rules);
- 2) the use by a member of the Exchange of algorithmic or high-frequency trading programs, the results of which have caused or may cause damage to the property of its clients or the Exchange, or have otherwise infringed or may infringe on the interests of its clients or the Exchange, or have led or may lead to a violation of the norms of the internal document of the Exchange defining the rules of professional ethics and business conduct by which members of the Exchange must be guided.

28. The maximum permissible value of the number of orders that can be submitted to the Exchange's trading system in accordance with the software and technical characteristics of the Exchange's trading system is determined based on the results of load testing conducted by the Exchange as the software and/or technical support of its trading system changes, and is specified in the user manual for the Exchange's trading system, published in the public domain on the Exchange's website.

**Chapter 4. THE EXCHANGE'S CONTROL OVER DIRECT ACCESS.
SPECIAL RIGHTS OF THE EXCHANGE REGARDING DIRECT ACCESS**

29. The Exchange exercises control over the provision of direct access by its members and, for these purposes, has the right to:

- 1) request from members of the Exchange providing direct access services or from the exchanges that have registered them any documents and information on the terms and procedure for providing direct access by members of the Exchange, on the software, technical and other characteristics of the DMA systems they use;
- 2) request from members of the Exchange providing direct access services or from the exchanges that have registered them any documents and information about their DMA clients that are necessary to assess the quality of these services and to assess the actions taken by members of the Exchange and their DMA clients using DMA systems for compliance of such actions with the norms of the legislation of the Republic of Kazakhstan and the internal documents of the Exchange;

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- 3) at any time carry out special checks and/or testing of DMA systems used by members of the Exchange, as well as software and cryptographic means of information protection, means of information transmission used by members of the Exchange when providing direct access.
30. Members of the Exchange providing direct access services or the exchanges that have registered them are obliged to provide it with any documents and information requested by the Exchange in accordance with subitems 1) and 2) of item 29 of these Rules, and also to provide all necessary assistance to the Exchange in carrying out special checks and/or testing in accordance with subitem 3) of item 29 of these Rules.

The Exchange is obliged to notify its member or the exchange that registered it, of its intention to carry out a special check and/or testing in accordance with subitem 3) of item 29 of these Rules no later than three working days before the start of such check (such testing).

31. If, based on the results of the analysis of documents and information received by the Exchange in accordance with items 29 and 30 of these Rules, based on the results of special inspections and/or testing, facts of violation of the norms of the legislation of the Republic of Kazakhstan and/or internal documents of the Exchange, deficiencies in the risk management systems of a member of the Exchange and/or its DMA clients are revealed, the Exchange has the right to:
- 1) suspend or terminate direct access of any DMA client of a particular member of the Exchange (with the Exchange taking appropriate technical measures to ensure such suspension or termination);
 - 2) suspend or prohibit the use of any gateway by a particular member of the Exchange (with the adoption by the Exchange of appropriate technical measures to ensure such suspension or prohibition);
 - 3) suspend or revoke the permission granted to a particular member of the Exchange to use any DMA system (with the Exchange taking appropriate technical measures to ensure such suspension or revocation);
 - 4) take other measures of influence in accordance with the internal documents of the Exchange.
32. In addition to the grounds provided for in the first paragraph of item 31 of these Rules, the Exchange has the right to take measures from among those specified in subitems 1)–3) of item 31 of these Rules, in the event of changes in the legislation of the Republic of Kazakhstan and/or internal documents of the Exchange that make it impossible for the member of the Exchange to continue to provide direct access services to all or individual DMA clients of the member of the Exchange.

33. The decision to apply the measures provided for in items 31 or 32 of these Rules shall be taken by the member of the Management Board of the Exchange supervising the division for organizing and conducting trading, and shall contain an indication of the reasons for taking this decision, as well as – if this decision provides for the suspension of direct access of the DMA client, suspension of the use of the gateway or suspension of the permission to use the DMA system – an indication of the conditions or conditions and terms under which such access (such use, such action) may be resumed.

The Exchange shall notify its member and the Exchange that has registered it in writing of the application of the measure provided for in items 31 or 32 of these Rules, sending such notification no later than the next working day from the date of the decision by the member of the Exchange's Management Board supervising the division for organizing and conducting trades to apply this measure.

34. If a member of the Exchange fails to eliminate the reason for the decision taken by the member of the Exchange's Management Board supervising the division for organizing and conducting trades to suspend direct access of a DMA client, suspend the use of a gateway, or suspend the permission to use the DMA system, the Exchange has the right to independently (based on the decision of this member of the Management Board) terminate direct access of this DMA client, prohibit this member of the Exchange from using this gateway, or revoke the permission issued to this member of the Exchange to use this DMA system.
35. The decision of a member of the Exchange's Management Board supervising the division for organizing and conducting trades, specified in item 33 or 34 of these Rules, may be appealed by

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the member of the Exchange to the Exchange's Management Board within 60 working days from the date of this decision. However, appealing this decision does not suspend its effect.

36. The Exchange has the right to provide the state body for supervision and control over the financial market and financial organizations, at its request or in accordance with the requirements of the legislation of the Republic of Kazakhstan, with information on the activities of all or individual members of the Exchange providing direct access services, as well as on the DMA systems they use.

Chapter 5. FINAL PROVISIONS

37. Documents to be submitted to the Exchange by its members and/or the registering exchange in accordance with these Rules shall be provided by them to the Exchange on paper and electronic media.
38. A member of the Exchange shall be liable for violation of the requirements of these Rules, including liability for failure to fulfill, incomplete or untimely fulfillment of obligations under a transaction concluded in the Exchange's trading system.
39. The Exchange, under the conditions and in the manner established by its internal documents on working with the trading system in remote access mode, shall not be liable for losses caused to members of the Exchange providing direct access services and DMA clients.
40. Issues not governed by these Rules shall be resolved in accordance with the legislation of the Republic of Kazakhstan, internal documents of the Exchange, as well as decisions of the bodies and officials of the Exchange, adopted in the established manner within the limits of their competence.
41. Responsibility for the timely introduction of changes and/or additions (updating) to these Rules shall be assigned to the trading division.
42. These Rules shall be updated as necessary. These Rules shall be reviewed for the need for updating at least once every 36 months, calculated from the date of entry into force of these Rules, and in the event of their updating – from the date of entry into force of the latest changes/additions.

Chairman of the Management Board

A. Aldambergen

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Appendix

to the Rules for providing direct access to the Exchange's trading system

[on company letterhead]

APPLICATION

for issuing permission to use the DMA system

We hereby declare that [full name of the member of the Exchange] intends to provide its clients with services for providing direct access to the trading system operated by Kazakhstan Stock Exchange JSC (hereinafter – the Exchange), and for these purposes we request permission to use the following DMA system on [specify the exchange market] (as this designation is defined in the internal document of the Exchange "Rules for providing direct access to the trading system of Kazakhstan Stock Exchange JSC").

DMA system name				
Name of the developer/ copyright holder of the DMA system				
Gateway for connecting the DMA system to the Exchange's trading system (<i>check</i>)	FIX protocol	ASTS Bridge	Plaza2 CGate	TWIME
ASTS+ (stock market)	<input type="checkbox"/>	<input type="checkbox"/>		
ASTS+ (currency market)	<input type="checkbox"/>	<input type="checkbox"/>		
SPECTRA	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

We confirm that we have read the internal documents of the Exchange: "Rules for providing direct access to the trading system of Kazakhstan Stock Exchange JSC and "Requirements for DMA systems of members of Kazakhstan Stock Exchange JSC and their use", agree with them and undertake to comply with the standards established by the said internal documents (including possible subsequent changes and/or additions to them). In addition, we undertake to familiarize each DMA client with the said internal documents (including possible subsequent changes and/or additions to them).

We announce that the following employees [full name [members of the Exchange] are defined by us as persons whose job responsibilities include ensuring interaction with the Exchange on issues of providing direct access to the Exchange's trading system and compliance with the standards of the aforementioned internal documents of the Exchange.

	Employee 1	Employee 2	Employee 3
Job title		
Last name, first name, patronymic (if any)		
E-mail address		
Office phone number		
Mobile phone number		

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The following documents are attached to this application:

- 1) *(indicate the name of the document, its type (original, copy) and number of sheets);*
- 2) *(indicate the name of the document, its type (original, copy) and number of sheets).*

[position]

[signature]

[last name, initials]²

² In accordance with the card with samples of signatures of the executives of the member of the Exchange (the authenticity of which is certified by a notary public) available to the Exchange and the imprint of its seal.